IN THE HIGH COURT OF KERALA AT ERNAKULAM

PRESENT :

THE HONOURABLE MR. JUSTICE C.N.RAMACHANDRAN NAIR

WEDNESDAY, THE 6TH DECEMBER 2006 / 15TH AGRAHAYANA 1928

WP(C).No. 31808 of 2006(J)

PETITIONER:

V.J.SEBASTIAN, VELAMPARAMBIL,
IMPERIAL MOTOR SERVICE, TALIPARAMBA.

BY ADV. SRI.GEORGE MECHERIL

RESPONDENTS:

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1. KERALA STATE FINANCIAL ENTERPRISES,
THRISSUR, REPRESENTED BY ITS
MANAGING DIRECTOR.

2. THE BRANCH MANAGER,
KERALA STATE FINANCIAL ENTERPRISES, KANNUR.

3. THE STATE OF KERALA, REPRESENTED BY
ITS SECRETARY, REVENUE DEPARTMENT, SECRETARIAT,
TRIVANDRUM.

BY ADV. SRI.A.K.JOHN, ADDL.SC., KSFE LTD.

THIS WRIT PETITION (CIVIL) HAVING COME UP FOR ADMISSION ON 06/12/2006, THE COURT ON THE SAME DAY DELIVERED THE FOLLOWING:

C.N.RAMACHANDRAN NAIR, J.

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W.P.(C) No.31808 of 2006

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Dated this the 6th day of December, 2006.

JUDGMENT

Heard counsel for the petitioner and Standing Counsel for KSFE. Even though prayer is for OTS benefit, Standing Counsel submitted that OTS scheme is over by 30.11.2006. However, since petitioner has offered payment within a reasonable time and since in similar cases this court has granted waiver of penal interest on payment of balance liability, this W.P. is also disposed of directing the second respondent to give statement of liability to the petitioner excluding penal interest and collection charges and after giving credit for payments already made, within two weeks from the date of production of copy of this judgment by the petitioner. The petitioner is allowed to settle the liability by making payment of the said sum in two instalments without future interest, first of which will be paid on or before 15.1.2007 and the second or before 15.2.2007. However, if petitioner does not settle liability as above, then the waiver of penal interest and collection charges granted herein will stand automatically vacated on first default and respondents will proceed for recovery of entire arrears. Recovery proceedings will be kept in abeyance for payment as above and in the event of default in payment of any instalment, the respondents can proceed for recovery. If the OTS scheme that expired on 30.11.2006 provided for settlement of liability by limiting interest to equivalent amount of loan, then there will be direction to the respondents to

grant it and give time to the petitioner to make payment as above, but on condition that on that amount petitioner will pay interest at the same rate at which loan was given, for the period from 1.12.2006 till date of payment.

C.N.RAMACHANDRAN NAIR
Judge

pms